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Rivals Turn to Tattling in Steroids Case Involving Top Athletes

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BURLINGAME, Calif.— At its roots, the most far-reaching steroids scandal in American sports seems one of betrayal and back-stabbing, real or perceived, of scores settled by one person informing on another for reasons variously described as integrity, jealousy, revenge or competitive advantage, documents and interviews indicate.

In that sense, lawyers said, the case involving the Bay Area Laboratory Co-Operative, or Balco, appears not so different from a case involving street drugs.

"It's the way all drug cases work," said Michael Rains, the lawyer for the San Francisco slugger Barry Bonds, whose personal trainer, Greg Anderson, is one of four men charged in the case. Rather than killing each other off, as might happen in a case involving cocaine or methamphetamine, Rains said, rivals in the Balco case "are ratting each other off."

"That seems to be what's going on," he added.

The investigation of Balco, which has led to charges of distributing steroids and laundering money, did not begin as an omnibus inquiry, but rather as separate examinations by local and federal authorities and drug-testing experts, none of whom knew at first what the others were doing.

In the fall of 2002, these investigative strands began to intertwine, leading last summer to the detection of the designer steroid THG, or tetrahydrogestrinone. Five track stars and four professional football players have since tested positive for the steroid, and much public suspicion exists about major league baseball players. About a dozen players, including Bonds, testified last fall before a federal grand jury in San Francisco.

In February, indictments were handed down against Anderson; Victor Conte Jr., founder of the Balco lab; James J. Valente, the lab's vice president; and Remi Korchemny, a track coach. All have pleaded not guilty.

With baseball season here and the Athens Olympics approaching, sports officials are nervously wondering whether more names will emerge.

The federal government has served search warrants for the laboratory that conducted Major League Baseball's drug tests last season. And a Senate committee chaired by John McCain, Republican of Arizona, is seeking documents regarding Olympic athletes who testified before the Balco grand jury. The athletes could be barred from the Athens Games if evidence or admissions showed they used prohibited substances.

Federal officials have declined to discuss the direction of the investigation. Some defense lawyers, noting that the case has received visible priority in the Bush administration, said that prosecutors appear interested beyond the manufacturers and distributors of muscle-building anabolic steroids, and may pursue athletes if they decide that million-dollar salaries are driving the demand for steroids.

"It seems their greater purpose is to inform youth and the public about steroids," George Walker, a San Francisco lawyer for Korchemny, said of prosecutors. "What better way to inform and frighten our public than to have top athletes under a cloud of suspicion?"

Another of Korchemny's lawyers, Alan Dressler, said, "I think they're trying to scare people straight."

No athletes were indicted, or named, in three government affidavits released at the same time in February. Yet in the end, some say, the credibility of the government's case may rest on its ability not only to punish manufacturers and distributors of steroids, but also those who use them.

"The users must be dealt with as well or the program will be widely perceived as a failure," Dick Pound, chairman of the World Anti-Doping Agency, said.

Gym and Lab Come Under Scrutiny

The San Mateo County Sheriff's Office became curious about steroid traffic on the peninsula south of San Francisco about four years ago. A member of the sheriff's SWAT team worked out alongside bodybuilders at World Gym -- now called Bay Area Fitness -- in Burlingame. And the 16-member narcotics squad adopted steroids as a kind of sideline, a diversion from the usual fare of street drugs.

Of particular interest was an intense, squat bodybuilder named Greg Anderson, whose license plate said W8GURU. A confidential informant had told narcotics officers that Anderson, in league with the nearby Balco lab, was dealing steroids, Sheriff Don Horsley said. But officers were never able to make a case.

"We tried to get people in with this trainer over a period of years," Horsley said. "We were never able to make a buy."

In August 2002, a special agent from the Internal Revenue Service also began looking at Balco. The two investigations assumed more urgency in the fall when that agent, Jeff Novitzky, asked the sheriff for help with surveillance of the gym and Balco. In October 2002, Novitzky asked Dr. Don H. Catlin, director of the Olympic drug-testing laboratory at the University of California at Los Angeles, for help in explaining what the I.R.S. was finding in an investigation of sports drugs at a lab in northern California. He did not identify the lab.

How Novitzky came to initiate his investigation is unclear. Catlin said Novitzky told him the case had sprung from an inquiry involving money transfers. The agent declined to comment, as did other federal authorities involved in the case. But it is evident from public records and interviews that a chorus of whisperings about the supposed steroid dealings of Anderson and Balco had begun to reach the ears of federal law enforcement. Someone was talking.

Early in 2002, an anonymous caller told Drug Enforcement Administration agents in San Jose that Anderson was selling steroids. In October 2002, according to an affidavit, a San Mateo County Narcotics Task Force informant told sheriff's deputies that a bodybuilder named Emeric Delczeg was a supplier of steroids to Balco and, in fact, had just flown to Europe on a buying expedition.

Delczeg, who owns a nutritional supplements business, passed through customs on that trip with no evidence of steroids, according to an affidavit. Delczeg denied supplying steroids to Balco or Anderson.

Delczeg blamed a soured business relationship with a former partner, Ron Kramer, for dragging his name into the investigation. Kramer, a former bodybuilding promoter and gym owner, runs a supplements business that sometimes competed directly with Delczeg's and Conte's.

Delczeg said he gave Kramer a job several years ago to keep him out of jail on a steroids-peddling conviction, but their relationship soured. In 2001, Delczeg filed a complaint with the police in Belmont,

Calif., saying Kramer had spit on him during an argument. He sought a restraining order to keep Kramer away. Kramer denied spitting on Delczeg, the police report said, and no further action was taken.

Kramer, who now lives in Arizona, once served as a steroids informant to San Mateo sheriff's deputies, according to documents in San Mateo County Superior Court. In a successful plea to keep his probation from being revoked in 2001, his lawyer said, Kramer had "worked his little fingers to the bone as an informant and general source of information to the Narcotics Task Force on steroid related charges."

But Kramer denied being the source of information about Delczeg or any other aspect of the Balco case. "Not one person was ever turned in by me," Kramer, a tough-talking New York native, said. "I didn't know anyone to turn in."

At 5 feet 6 inches and 240 pounds, Delczeg is a fireplug of a man who would seem capable of defending himself, but he keeps in the office of his supplement company an aluminum baseball bat for protection and said he was thinking of getting a gun. He spoke of Kramer with trepidation and worried that a group of thugs from the islands of Tonga would kill a man for \$100.

Asked about Delczeg's fear that Kramer means to do him harm, Kramer said, "If you go stirring up" tension, "you've got a right to be afraid."

Anti-Doping Authority Joins In

When Novitzky contacted the Olympic drug-testing lab in October 2002, Catlin, who was accustomed to receiving prank calls, thought this one from the I.R.S. sounded suspicious, so he let an assistant take a message. When Catlin called back to see if the call was legitimate, he was surprised and fascinated.

For two decades, Catlin had been a leader of anti-doping efforts in sports. But American law enforcement had never seemed interested.

"To suddenly find my own U.S. government deep into an investigation of something I work with every day was a mind-blowing event," Catlin said.

Novitzky had begun examining Balco's trash a month earlier, on Sept. 3, 2002. According to an affidavit, Novitzky picked through the trash weekly; intercepted e-mail messages to and from Conte; obtained records of at least 40 checks from pro football players and elite track and field athletes paid into Conte's personal account; and learned that Conte withdrew more than \$480,000 from his personal and business accounts from January 2000 through September 2002.

On Dec. 31, 2002, Novitzky joined the Bay Area Fitness gym, presumably to try to infiltrate the suspected steroid distribution ring. Novitzky, a tall, wiry former athlete at San Jose State, is a central figure in the Balco investigation. But as the bickering and backbiting that define this case have extended even to investigators, Novitzky's motivation has been questioned.

Iran White, a California state narcotics investigator who worked undercover at Bay Area Fitness last year, told Playboy magazine that Novitzky talked about a possible book deal and seemed motivated primarily by a desire to prove that Bonds used steroids. Defense lawyers have used White's remarks to challenge the integrity of Novitzky's investigation.

Novitzky declined to comment. Catlin, the drug-testing expert, called Novitzky "my hero."

Putting the Pieces Together

Just as Novitzky began his investigation, Conte sensed that he was being betrayed. According to an affidavit, Conte wrote an e-mail message on Aug. 20, 2002, to an unidentified international track and field coach, advising that a certain athlete discontinue using a substance called "the clear."

A sample of the substance had been sent anonymously to drug testers affiliated with the International Olympic Committee, Conte said in the e-mail message. "This is very unfortunate," he wrote.

It is unclear whether any substance was actually sent to drug testers at the time; Catlin said he did not receive anything. But Conte clearly felt someone was out to get him. In the e-mail message, he named three people he believed had sent in the sample. Their names were redacted from an affidavit in the case.

Conte suggested in the e-mail message that the rivals believed their athletes were about to lose prize money and "they became desperate."

He added an optimistic note, though, perhaps referring to the steroid THG: "We already have a new one that we are working on that should be available in a couple of months."

Later, when Conte's name was made public in the Balco scandal, he sent an e-mail message to The San Jose Mercury News, saying the case was "about jealous competitive coaches and athletes that have a history of promoting and using performance-enhancing agents being completely hypocritical." The public would soon find out, Conte wrote, that track and field is a "very dirty business."

Just how dirty is evident in documents released by the government. Among the items found in the Balco trash were three torn versions of a letter, apparently never sent, addressed to track and field's international governing body, known as the I.A.A.F., and to the United States Anti-Doping Agency, which manages drug testing of Olympic sports.

The letter charged that a renowned track and field coach was obtaining a specific steroid from Mexico and was scheduling drug screenings of athletes to avoid detection of steroid use. A person familiar with the letter said it referred to Trevor Graham of Raleigh, N.C., who formerly coached the top sprinters Marion Jones and Tim Montgomery, both of whom testified before the Balco grand jury.

The person said Conte suspected that Graham had anonymously turned in a sample of "the clear" in 2002 and that Conte wrote the unsent letters in May 2003 because he felt "all is fair in war."

Several people involved in the investigation said that Graham had expressed concern last spring about an undetectable steroid and wanted to alert drug-testing officials.

Conte declined to comment for this article, and his lawyer did not return calls. In a brief telephone interview, Graham said, "I can't comment on any of this right now."

Perhaps, people involved in the case said, Graham felt outraged about suspected cheating. Or perhaps he felt his livelihood threatened after losing Jones and Montgomery. Another young sprinter of Graham's, Justin Gatlin, was competing on the track circuit against Montgomery and Dwain Chambers, a Briton who was Europe's top sprinter and was trained by Korchemny. Chambers later tested positive for THG.

What is known is that on June 5, 2003, a month after Conte wrote his unsent letter, the anti-doping agency, in Colorado Springs, received a phone call from a person claiming to be a high-profile track and field coach. The coach, who has not been identified, named American and international athletes and accused them of using an undetectable steroid.

On June 6, the coach sent a used syringe containing some of the substance to the anti-doping agency. According to the agency, the coach identified the source of the substance as Conte and Balco. Conte has denied involvement and has said that THG is not an anabolic steroid.

When the contents of the syringe arrived at U.C.L.A., Catlin still had no idea that Balco was the lab that the I.R.S. was investigating, or that the I.R.S. and the United States Anti-Doping Agency were working on the same case.

Through the summer, Catlin did his own research and on Aug. 5, 2003, wrote a note to himself: "I'm now convinced that the federal investigation of the northern California laboratory and the U.S.A.D.A. syringe investigation are one and the same."

Catlin had been sworn to secrecy by both organizations, but he telephoned Novitzky and asked if he could put the I.R.S. agent in touch with Terry Madden, the chief executive of the United States Anti-Doping Agency. A meeting took place on Aug. 19, the separate investigations coalesced and the authorities readied to make their move.

"We would have figured it all out eventually, but maybe not nearly so fast," Catlin said.

On Sept. 3, 2003, the I.R.S. and the San Mateo County Narcotics Task Force, assisted by the anti-doping agency, raided Balco and searched Anderson's home. Two days later, the I.R.S. confiscated computers from the residence, according to an affidavit, and found \$60,000 in cash in a locked safe and detailed records.

Some of the money was separated into envelopes bearing the first names of known athletes, the affidavit said. Files were also found identifying specific athletes, as well as calendars appearing to list daily doses of steroids and human growth hormone. According to the affidavit, Anderson initially denied distributing steroids but told the authorities that he had given steroids to several professional baseball players.

While the Balco case remains unresolved, anti-doping experts are hearing whispers of other designer steroids. These experts say they need \$50 million to \$100 million from international governments and sports organizations over the next 5 to 10 years to be able to anticipate the manufacture of designer steroids, blood-boosting agents and other performance-enhancing substances. Otherwise the experts risk remaining a step behind the cheaters.

"If we can marshal our resources, we could be very much on top of it, far more than we are now," Catlin said. "I don't want to sit here in five years and have another THG come through my lab. Then we would have failed to capitalize on this the way we should."

Photos: The sign outside Bay Area Laboratory Co-Operative, right, is now blank. Bay Area Fitness was central to the investigation of a suspected steroids ring.; The four men indicted in the Balco case are: Victor Conte Jr., above left, the founder of the lab; James J. Valente, above right, its vice president; Remi Korchemny, near left, a track coach; and Greg Anderson, in sunglasses at right, personal trainer to the Giants slugger Barry Bonds. (Photos by Above, Peter DaSilva for The New York Times; below, Associated Press)(pg. 9)